INFLATION WATCH – June 2026

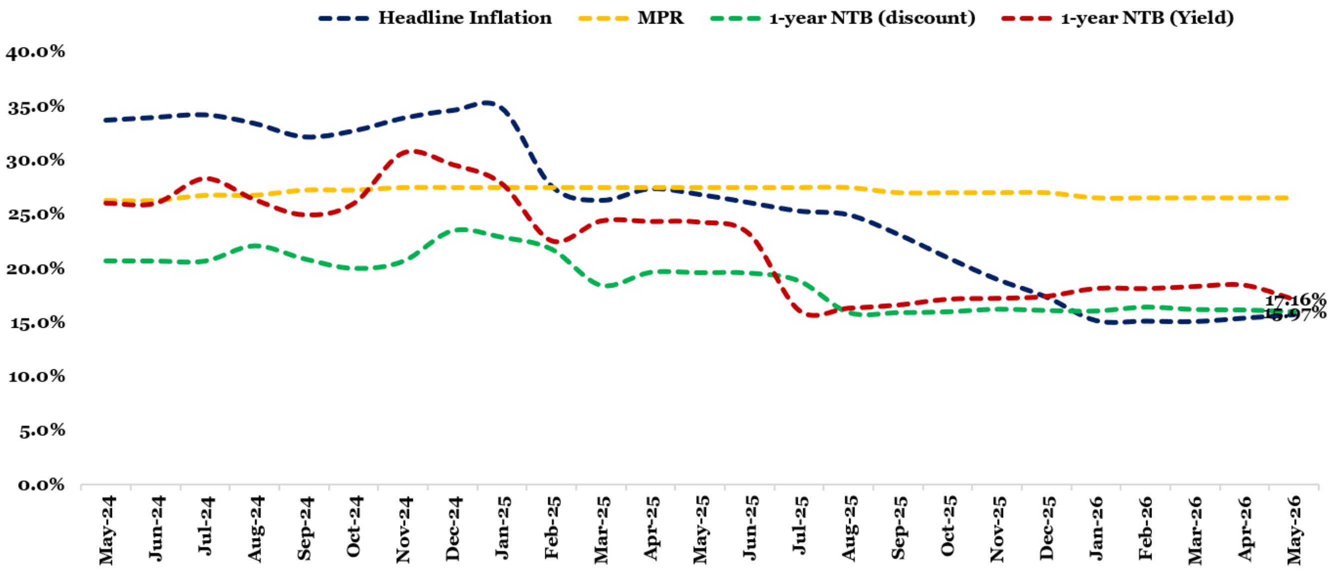
Headline Inflation Eases to 15.91% Amid Cooling Energy Prices

The Nigeria's headline inflation eased marginally to 15.91% y/y in June 2026, down from 15.93% in May 2026, according to the data published by the National Bureau of Statistics (NBS). This represents a decline from 25.29% recorded in June 2025, reflecting improved macroeconomic conditions.

Core inflation, which excludes volatile items such as food and energy prices, eased to 15.92% y/y (June 2025: 25.41%) reflecting a moderation in inflation beyond energy prices.

On a month-on-month basis, the Consumer Price Index (CPI) slowed to 1.66% m/m in June, from 1.75% in May 2026. Also, core inflation eased to 1.66% in June 2026 from 1.94% in May 2026.

Also, Food inflation moderated to 17.52% y/y from 25.41% in June 2025. However, monthly food inflation rose to 3.75% from 2.98%. The increase was primarily driven by higher prices of key food items including crayfish, fresh pepper, tomatoes, green peas, yam flour, water yam, beef, banana, cassava flour, cowpea, garri, Irish potatoes, and yam tubers.



Our view

Inflation is expected to remain broadly stable in the near term, supported by exchange rate stability. However, elevated food and fuel costs poses a risk to this outlook.